

**EUCALYPTUS GROVE HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
WEDNESDAY, NOVEMBER 8TH, 2023 (6PM) via Zoom
<https://ucsb.zoom.us/j/95672538616>
Meeting ID: 956 7253 8616; Passcode: 71139**

Meeting Minutes

1. CALL BOARD MEETING TO ORDER – CONFIRMATION OF QUORUM

If you wish to physically attend the meeting, you may come to the Management Office at 3944 State St. #200. Please call the day before the meeting to let us know that you're coming. Thank you.

Meeting was called to order at: 6:03pm

Board Members present:

Colin Smith - President
Christine Hall - Vice President
Owen Roth - Treasurer
Tamara Simmons - Secretary
Joe Mora - Member-at-Large

Managers & Employees present:

Bob Bartlein of Bartlein
James Nguyen of Bartlein
Julia Grigorian, Scribe

Homeowners present:

Craig Nicholson #247
Catherine Levya #369
Janet McKinley #334
Dave Burrough #105

Absences:

2. REQUEST BY OWNERS IN ATTENDANCE / VIA CORRESPONDENCE / PHONE

Open Forum (unless it's an emergency, it'll be put on next month's agenda); Board to consider the request & possibly vote. Each unit has about 3 minutes to address their concern to the Board.

Catherine Leyva #369: Catherine expressed concern about the potential increase in dues and urged the board to consider a special assessment of \$888, which would maintain the same annual amount and prevent owners from facing continual increases. She advocated for keeping the dues at the current rate of \$452. Catherine also wanted to state that, as a resident of Eucalyptus Grove of 22 years and a board member for part of that time, she has only had positive experiences working with Bartlein management.

Janet McKinley #334: Janet is a new owner at Eucalyptus Grove and informed the board that her daughter will be living in the unit. Janet inquired about the use of water softener devices in the complex. Chris recalled instances of people mounting water softeners through the patio and routing them through the washer and dryer area. Janet sought clarification on whether this would be permissible by the HOA if it is placed outside, visible on the patio. The board confirmed that it should be installed on the inside where the doors can close. Janet also inquired if switching her washer and dryer to a stackable option would require approval, which was confirmed by the board.

Dave Burrough #105: Dave expressed his desire to install synthetic flooring in his bottom-floor unit. Tamara clarified that there is no insulation requirement for the ground floor. This was discussed further in 6a.

Craig Nicholson #247: Craig reported issues with Big Green's service on Friday, November 3rd and Monday, November 6th. According to Craig, the service did not meet expectations as they admitted to not restocking the soap and toilet dispensers. Craig also noted a lapse in cleanliness, specifically in the sauna, expressing concern the vendor is falling into poor habits.



Additionally, Craig pointed out that he had emailed several concerns to the board, which were promised to be added to the agenda and addressed last month but were not

Regarding the potential change in policy for association repairs versus owner repairs (i.e., gas lines), Craig emphasized the necessity for a formal vote by the association. He asserted that such a vote is required. During the discussion, Colin sought clarification on whether Craig was requesting a vote of the board or a vote of the constituency. Craig specified that it should be a vote of the constituency. Colin assured that this matter would be addressed under old business, time permitting.

3. APPROVAL OF PRIOR MEETING MINUTES (10/12/23)

- a. Regular Session (10/12/23)
Colin moved a motion to approve the regular session minutes from October 12th. Tamara seconded. Chris brought up that the minutes do not capture who says aye or who says nay for votes. Going forward, the scribe will work to capture these specificities. For the minutes from October 12th, it is to be noted that Joe and Chris voted nay and Colin and Tamara voted aye in 5c. Approved with all in favor except Owen, who abstained.
- b. Executive Session Summary (10/12/23)
Tamara moved a motion to approve the minutes for the executive session for October 12th. Joe seconded. Approved with all in favor except Owen, who abstained.
- c. Special Session Budget Meeting (10/26/23)
Chris moved a motion to approve the minutes for the special session budget meeting for October 26th. Tamara seconded. Approved with all in favor except Owen, who abstained.
- d. Executive Session Budget Meeting (10/26/23)
Colin moved a motion to approve the minutes for the executive session for October 26th. Tamara seconded. Approved with all in favor except Owen, who abstained.
- e. Regular Session (9/14/23)
Colin moved a motion to approve the minutes for the regular session for September 14th. Owen seconded. This was unanimously approved.
- f. Executive Session (9/14/23)
Colin moved a motion to approve the minutes for the executive session for October 26th. Tamara seconded. This was unanimously approved.
- g. Amending Minutes
Chris moved a motion to keep the minutes writing as is, with the inclusion of who said aye or nay. Colin seconded. This was unanimously approved.

4. TREASURER, OFFICERS & COMMITTEE REPORTS

- a. Reading of the Treasurer's Report.
Operating Expenses are about **13% +**below budget thru end of last month on a cash basis.
Suggested Motion: Move to approve the Treasurer's report and confirm the Board has reviewed all financial information each month as required by Civil Code Section 5500 including, but not limited to, the Association's check register, monthly general ledger, and delinquent assessment receivable reports. Furthermore, as required by Civil Code Section 5380, the Board has approved all transfers of funds to and from the Association's bank accounts, and has approved any two authorized signers on the Association's bank accounts to transfer funds from reserves in an amount necessary to pay for expenditures as described in the Association's budget or otherwise approved by the Board.

Owen read through the treasurer's report. Colin moved a motion to accept the treasurer's report as is. Tamara seconded. This was unanimously approved.



b. Landscape recommendations & proposals.

Joe is waiting for Don to start on the fence. Tamara asked about the tree cutting happening from November 20th-27th, wanting to know if this would include Thanksgiving and the day after Thanksgiving. Joe clarified that it will not be on Thanksgiving, but the Friday after. Joe mentioned there are irrigation leaks he is working on.

c. Committees (EV, Architectural, Events, etc.)

Governing Docs: Nothing to report.

EV: Tamara is going to meet with Jim to see if there is any new information from SCE.

Websites: Julia and Colin met and updated the website with most of the current agendas and meeting minutes. Next, they will work on the budgets and financial statements.

d. Caretaker or pool report.

Chris stated that Jim is working on getting a report. James mentioned that the pool heater was not properly working but is now fixed.

e. Vendor evaluations

Motions of Merit: None.

Motions of Demerit: None.

f. Officer's Reports

Discussion tabled.

5. OLD BUSINESS (Board to consider, review and possibly vote on...)

a. Draft of proposed budget - Mgmt questionnaire

Bob Bartlein (of Bartlein Management) addressed the forthcoming insurance renewal, revealing a substantial budgetary impact with an unanticipated increase of \$51,000. The board determined that borrowing from reserves would be necessary to cover this. However, it was emphasized that, per California law, this borrowed amount must be repaid within a year, equivalent to an additional \$25 per month per unit. The proposed HOA fee for the upcoming year is \$526, primarily driven by the escalated insurance costs. Discussion ensued about the line items that lead to this increase in HOA dues apart from insurance as well.

Concerns were raised regarding the significant rise in insurance premiums, with Owen inquiring whether this increase was linked to claims. Bob clarified that major insurance companies withdrawing from California had created an environment where the remaining insurers could charge elevated rates.

Discussion unfolded about the possibility of a special assessment to mitigate the impact of the insurance increase on the 2023 dues. Bob reminded the board of the \$48,000 cap on special assessments. The board explored various options for special assessments and new dues.

Colin moved a motion to approve the budget for 2024, accepting the fee as presented. Tamara seconded. Joe asked the board to clarify the new due amount. Colin clarified that this new due amount is \$526 with no special assessment. Chris rejected the budget as it contains dollars allocated to the maintenance plan that has not been settled yet (gas line and utility doors). Owen and Joe agreed with these concerns raised by Chris. Bob reminded the board that approving this budget does not necessarily mean approving the gas lines and utility doors - the board can always decide not to do this. Bob said the max the board could raise the dues were \$542 a month (20%). The subsequent vote results were as follows: Ayes from Colin, Tamara, and Owen. nays from Joe and Chris. With three votes to two, the motion to approve the budget for 2024, accepting the \$526 dues is approved.



Joe moved a motion to give owner Craig Nicholson 60 seconds to comment on the budget. Craig expressed concern about the absence of the interest income in the revenue section of the budget, questioning the change in accounting procedures. Bob explained that the interest income is now added to reserves and not considered revenue.

Joe moved a motion to add a special assessment of \$48,000 on top of the dues, which would equate to \$270 per unit. Colin seconded. Bob added that this special assessment needs a due date. Colin amended the motion for the special assessment of \$270 per unit to be due by June 1st. Chris noted that she will vote against this. Chris and Owen nayed, Colin, Tamara, and Joe voted aye. With three votes to two, the motion for the special assessment of \$270 due by June 1st is approved.

Gas Line discussion: Chris wanted to clarify that she does not believe the association is responsible for the gas lines, citing exclusive use areas. Bob explained the legal changes around 2017, stating that unless specified in the CC&R's, all pipe common areas are now the association's responsibility. Chris referred to the current CC&R's, stating that the gas lines are exclusive use areas, not common areas, as defined in exhibit b. Colin referred to a legal opinion received in March 2023, supporting the association's responsibility. Owen suggested the CC&R committee meet to address these issues in the new CC&R documents. Chris proposed a motion to maintain the current maintenance policy, disputing the 2023 legal opinion, with Joe seconding. The motion failed, with ayes from Chris and Joe, and nays from Tamara, Colin, and Owen.

- b. Leak from #364 into #264 and #131 - Claim filed
Discussion tabled.
- c. Repairs: roof; dryrot; painting; gutter cleaning; approval and/or ratification of proposals & invoices (if any);
Discussion tabled.
- d. Updating the gov docs; 2nd draft of bylaws & CC&Rs
Discussion tabled.
- e. Repairs & bids: DG Paths; V-Ditch; Sidewalk; (if any)
Discussion tabled.
- f. Upgrades to gates, gym & pool access control
Discussion tabled.
- g. Pool facilities & sauna; other related issues; monitoring; trespassers; handicap seating
Discussion tabled.
- h. Signs: Address, pathways, directional, speed limit, no trespassing, pool area
Discussion tabled.
- i. EV charging station
Discussion tabled.
- j. Inspection of elevated walkways & balconies – by Focused Group 8/7/23 – 8/15/23
Discussion tabled.
- k. Pedestrian pathway improvements mailbox kiosk across from 7632
Discussion tabled.
- l. Utility closets at 7628 #117
Chris wanted the minutes to reflect that the utility closet for #117 is currently exposed to the elements. Chris requested James to communicate with the caretaker regarding the need to re-seal these utility closets.



m. Annual meeting 1/11/24, at 6pm, location?

Tamara identified a potential venue called The Sandbox, capable of accommodating up to 20 people. The rental rate for this location is \$100 per hour. Tamara plans to visit the venue during the week of Thanksgiving. Other places are over the \$500 limit for the evening.

n. Gas lines review
Discussion tabled.

o. Fire safety - quote for radios / walkie-talkie
Discussion tabled.

p. Bike rack by 7628.
Discussion tabled.

q. Parking lot lights
Colin wanted to thank Bill for assembling a list of the parking lot lights. Colin met with Donn two weeks ago and discussed the differing voltages among the lights. It was decided to standardize all fixtures to 110 volts. The cost to convert these is \$2,170, involving the replacement of 12 posts with two people working. Colin moved a motion to approve this quote, which Joe seconded. During the discussion, Chris proposed seeking an additional quote to address the replacement of the eight malfunctioning fixtures. Colin recommended the board handle this matter separately. The subsequent vote results were as follows: Ayes from Joe, Tamara, Owen, and Colin; Chris abstained.

r. Trees & Union Pacific Railroad
Discussion tabled.

6. NEW BUSINESS (Board to consider, review and possibly vote on...)

- a. #105 - installation of hard floor
Colin moved a motion to approve the flooring from #105. Joe seconded. This was unanimously approved.
- b. Air Table
Discussion tabled.
- c. HOA debit or credit card
Discussion tabled.
- d. Other items to be put on next month's agenda
Discussion tabled.

7. EXECUTIVE SESSION

Executive Session may only be used to discuss litigation, contracts with 3rd parties, member discipline, personnel, upon an owner's request to discuss payment of assessments, foreclosures, disability requests, legal advice, censure of a director, or mental illness of a member. Hiring; levying fine; noise issue.

- a. Late payers through end of last month (balances of \$500 or more): Landscaping contract
- b. Internal Dispute Resolution / Levy fines / Bankruptcy / Foreclosure / Small Claims / Write off

8. ADJOURNMENT (Next scheduled meeting 12/14/23 @ 6PM via Zoom)

- a. Meeting adjourned at 8:54pm.

For questions contact:
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